

For Immediate Release

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## **NATIONAL SECURITY AND FOREIGN AFFAIRS SUBCOMMITTEE**

Statement on Subcommittee Investigation Into the

Department of Defense's Manas Transit Center Fuel Contract

WASHINGTON, DC – Today, John F. Tierney (D-MA), Chairman of the Subcommittee on National Security and Foreign Affairs, responded to the Department of Defense's announcement that it was awarding a follow-on contract to Mina Corporation to supply jet fuel to the Manas Transit Center in Kyrgyzstan. The Subcommittee has been conducting an investigation into allegations of corruption in the fuel contracts at the transit center during the regime of former President Kurmanbek Bakiyev. The Subcommittee will be issuing a report with the full results of its investigation in the near future. Chairman Tierney stated:

*“In April, the Subcommittee initiated an investigation into allegations of corruption in connection with the U.S. contract to supply fuel to the Manas Transit Center in Kyrgyzstan. The Subcommittee conducted a significant number of interviews with key witnesses, consulted in Bishkek with Kyrgyz officials, and reviewed hundreds of thousands of pages of documents from the contractor, Mina Corporation, and the Department of Defense. After this comprehensive investigation, the Subcommittee has not uncovered any credible evidence to support the allegations that the Bakiyev family or their affiliates owned or received financial benefits from the fuel contractors or subcontractors.”*

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*“Although our investigation has not uncovered any underlying corruption in the Manas fuel contract, we did find that the Pentagon and State Department had ignored widespread Kyrgyz public perceptions of contract corruption engendered by a fundamental lack of transparency in the contracting process and Mina Corporation’s operations. Supplying vast quantities of fuel in support of U.S. operations in Afghanistan is an extremely sensitive endeavor with significant political, diplomatic, and geopolitical ramifications; it is not logistics-as-usual. The lesson going forward is that this critical fuel supply contract must have top-level oversight at every step of the way.” □*

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*“Since the April 2010 Kyrgyz revolution, the Department of Defense has devoted significant high-level attention to improving transparency in contracting at Manas. Today’s contract award, after an open and competitive solicitation, is an important step forward. I also understand that the Department of Defense is in ongoing negotiations with the Kyrgyz government to award a second contract to a Kyrgyz state-owned fuel supplier. I encourage the Department of Defense and the Kyrgyz Republic to work together to ensure transparency in both fuel supply contracts in order to maximize the mutual confidence of the American and Kyrgyz peoples in the integrity of contracting at Manas.”*

Since 2002, the exclusive fuel provider to the Manas Transit Center has been Mina Corporation and its affiliate, Red Star Enterprises Ltd., companies registered in Gibraltar. The Subcommittee's investigation has closely scrutinized Mina and Red Star's ownership and operations. The Oversight Committee issued subpoenas for documents and testimony from Mina, Red Star, and their principals in July 2010 and the companies belatedly cooperated with the Subcommittee investigation.